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Senior Buyer Hugo Cano

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Annual Self-Certification for Micro-Purchase Threshold Increase, dated July 1, 2023

In accordance with Federal law, 2 C.F.R. §200.320(iv), Non-Federal entities may establish a threshold higher than the micro-purchase threshold identified in the Federal Acquisition Regulation (FAR) in accordance with the requirements of this section. The non-Federal entity may self-certify a threshold up to \$50,000 on an annual basis and must maintain documentation to be made available to the Federal awarding agency and auditors in accordance with §200.334. The self-certification must include a justification, clear identification of the threshold, and supporting documentation of a higher threshold consistent with State law.

Gallup McKinley County Schools self-certifies to increase the Micro-Purchase Threshold to \$20,000 for purchase of services, construction, or items of tangible personal property in accordance with state law, \$13-1-125(c), NMSA 1978 and to raise the threshold to the maximum allowable of \$50,000 for professional services, in accordance with any requirements stated in \$13-1-125, NMSA 1978.

Adopting these changes shall improve understanding and compliance with a consistent procurement policy, regardless of the funding source. Full text of the NM statute justifying this change is as follows:

13-1-125. Small purchases.

A. A central purchasing office shall procure services, construction or items of tangible personal property having a value not exceeding sixty thousand dollars (\$60,000), excluding applicable state and local gross receipts taxes, in accordance with the applicable small purchase rules adopted by the secretary, a local public body or a central purchasing office that has the authority to issue rules.

B. Notwithstanding the requirements of Subsection A of this section, a central purchasing office may procure professional services having a value not exceeding sixty thousand dollars (\$60,000), excluding applicable state and local gross receipts taxes, except for the services of landscape architects or surveyors for state public works projects or local public works projects, in accordance with professional services procurement rules promulgated by the general services department or a central purchasing office with the authority to issue rules.

C. Notwithstanding the requirements of Subsection A of this section, a state agency or a local public body may procure services, construction or items of tangible personal property having a value not exceeding twenty thousand dollars (\$20,000), excluding applicable state and local gross receipts taxes, by issuing a direct purchase order to a contractor based upon the best obtainable price.

D. Procurement requirements shall not be artificially divided so as to constitute a small purchase under this section.

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Katherine Crisler, CPO Procurement and Business Services Director